VI.   <u>We Claim:</u>

1.   A method for using a digital electrical machine to electrically process signals in generating output, the method including the steps of:

providing a first digital electrical computer apparatus including a digital computer having a processor, the processor electrically connected to a memory device for storing and retrieving machine-readable signals, to an input device for receiving input data and converting the input data into input electrical data, and to an output device for converting output electrical data into output having a visual presentation , the processor being programmed to control the apparatus to receive the input data and to produce the output data by steps including:

respectively entering financial characteristics of preferred-return instruments representing investments;

respectively entering amounts that buyers want to buy of a member from a first group, the first group consisting of at least one of the instruments and at least one group of the instruments, at the respective buyer's hypothetical current preferred return;

respectively entering amounts that sellers want to sell of a member of a second group, the second group consisting of at least one of the instruments and at least one group of the instruments, at the respective seller's hypothetical current preferred return;

computing a demand schedule for each of said instruments corresponding to the first group;

computing a supply schedule for each of said instruments corresponding to the second group;

comparing the schedules to produce a current preferred return for each of the corresponding instruments in both the first group and the second group;

computing a price for each said instrument having a current preferred return; and

generating output representing respective amounts of the instruments respectively in association with at least one member of a group consisting of the current

preferred return and the price.

2.   The method of claim 1, further including the steps of:

respectively entering seller's information including holdings prior to a sale of the investment; and

generating further output representing respective sellers' holdings seller adjusted for the sale of the investment.

3.   The method of claim 1, wherein the step of entering financial characteristics includes entering a preferred return for the instrument as one of the financial characteristics.

4.   The method of claim 1, wherein the step of entering financial characteristics includes entering a face value for the instrument as one of the financial characteristics.

5.   The method of claim 1, wherein the step of entering financial characteristics includes entering a payment schedule for the instrument as one of the financial characteristics.

6.   The method of claim 1, wherein the step of entering financial characteristics includes entering an amortization schedule return for the instrument as one of the financial characteristics.

7.   The method of claim 1, wherein further including the steps of:

computing any imbalance between each said supply schedule and each said demand schedule at the current preferred return for the investment; and

allocating the respective imbalances among the buyers for each excess

in each said demand schedule and allocating the respective imbalances among the sellers for each excess in each said supply schedule.

8. The method of claim 7, wherein the step of entering amounts that the sellers want to sell includes entering information identifying some of the sellers as issuers of respective ones of the instruments; and wherein the step of allocating includes giving priority to the ones of the instruments.

9. The method of claim 1, wherein the step of entering the financial characteristics includes entering a right of first refusal.

10. The method of claim 1, wherein at least one of the step of entering the amounts that the buyers want to buy and the step of entering the amounts that the sellers want to sell includes optionally entering respective standing orders.

11. The method of claim 1, wherein at least one of the step of entering the amounts that the buyers want to buy and the step of entering the amounts that the sellers want to sell includes optionally entering a respective time associated with the amounts for a sale to be completed.

12. The method of claims 1, wherein the steps of comparing the schedules, computing a price, and generating output are carried out whenever a criteria from a group consisting of at least a time period and an order quantity is satisfied.

13. The method of any one of claims 2, wherein the steps of comparing the schedules, computing a price, and generating output are triggered by the step of entering amounts that buyers want to by and the step of entering amounts that sellers want to sell.

14. The method of any one of claims 1-13, wherein:

the step of entering financial characteristics includes entering a risk class for the respective instruments; and wherein:

the step of entering the amounts that the buyers want to buy includes entering amounts that buyers want to buy of a member from a first group, the first group consisting of at least one of the instruments and at least one group of the instruments defined by a common risk class; and

the step of entering the amounts that the sellers want to sell includes entering amounts that sellers want to sell of a member from a second group, the second group consisting of at least one of the instruments and at least one group of the instruments defined by a common risk class.

15 The method of claim 1, further including:

providing a second digital electrical computer apparatus including a second digital computer having a second processor, the second processor electrically connected to a second memory device for storing and retrieving second machine-readable signals, to a second input device for receiving second input data and converting the second input data into second input electrical data, and to a second output device for converting second output electrical data into second output having a second visual presentation and programming the second processor to control the apparatus to receive the second input data and to produce the second output data by steps including:

using data obtained from the first digital electrical computer in remotely generating, at said second digital electrical computer apparatus, output representing respective amounts of preferred return instruments respectively in association with at least one member of a group consisting of the current preferred return and the price.

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16.   A method for using a second digital electrical machine to electrically process data obtained from a first digital electrical computer apparatus including a digital computer having a processor, the processor electrically connected to a memory device for storing and retrieving machine-readable signals, to an input device for receiving input data and converting the input data into input electrical data, and to an output device for converting output electrical data into output having a visual presentation and programming the processor to control the apparatus to receive the input data and to produce the output data, to remotely price a preferred return instrument representing an investment, the method including :

providing a second digital electrical computer apparatus including a second digital computer having a second processor, the second processor electrically connected to a second memory device for storing and retrieving second machine-readable signals, to a second input device for receiving second input data and converting the second input data into second input electrical data, and to a second output device for converting second output electrical data into second output having a second visual presentation and programming the second processor to control the apparatus to receive the second input data and to produce the second output data by:

obtaining data representing at least one of a group consisting of a price and a preferred rate of return for a member of a group consisting of at least one of the instruments and at least one group of the instruments, the data having been produced at the first digital electrical computer; and

utilizing said data in generating, at said second digital electrical computer remote from said first digital electrical computer, second output representing respective amounts of preferred-return instruments respectively in association with at least one member of a group consisting of the current preferred return and the price.

17.   A method for managing a preferred-return auction, the method including the steps of:

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managing, in real time, an auction of preferred-return instruments representing investments, including handling amounts that buyers want to buy and sellers want to sell of the instruments, and computing therefrom a price and a current preferred return corresponding to the instruments; and

generating output representing respective amounts of the instruments in transactions of the auction, respectively in association with at least one member of a group consisting of the current preferred return and the price.

18.   The method of for remotely handling preferred return investment data, the method including the steps of;

obtaining data representing a real time auction of preferred return instruments at a remote computer, the data including a price and a current preferred return corresponding to the instruments; and

incorporating said price and said current preferred return in generating printable documentation at said remote computer of trading activity in said auction.

19.   A method for making a digital electrical machine to electrically process signals in generating preferred-return documentation, the method including the steps of:

providing a first digital electrical computer apparatus including a digital computer having a processor, the processor electrically connected to a memory device for storing and retrieving machine-readable signals, to an input device for receiving input data and converting the input data into input electrical data, and to an output device for converting output electrical data into output having a visual presentation ; and

programming the processor to form circuitry therein to control the apparatus to receive the input data and to produce the output data by steps including:

receiving respectively entered financial characteristics of preferred-return instruments representing investments;

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managing, in real time, an auction of preferred-return instruments representing investments, including handling amounts that buyers want to buy and sellers want to sell of the instruments, and computing therefrom a price and a current preferred return corresponding to the instruments; and

generating output representing respective amounts of the instruments in transactions of the auction, respectively in association with at least one member of a group consisting of the current preferred return and the price.

18. A method for remotely handling preferred return investment data, the method including the steps of:

obtaining data representing a real time auction of preferred return instruments at a remote computer, the data including a price and a current preferred return corresponding to the instruments; and

incorporating said price and said current preferred return in generating printable documentation at said remote computer of trading activity in said auction.

19. A method for making a digital electrical machine to electrically process signals in generating preferred-return documentation, the method including the steps of:

providing a first digital electrical computer apparatus including a digital computer having a processor, the processor electrically connected to a memory device for storing and retrieving machine-readable signals, to an input device for receiving input data and converting the input data into input electrical data, and to an output device for converting output electrical data into output having a visual presentation ; and

programming the processor to form circuitry therein to control the apparatus to receive the input data and to produce the output data by steps including:

receiving respectively entered financial characteristics of preferred-return instruments representing investments;

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receiving respectively entered amounts that buyers want to buy of a member from a first group, the first group consisting of at least one of the instruments and at least one group of the instruments, at the respective buyer's hypothetical current preferred return;

receiving respectively entered amounts that sellers want to sell of a member of a second group, the second group consisting of at least one of the instruments and at least one group of the instruments, at the respective seller's hypothetical current preferred return;

computing a demand schedule for each of said instruments corresponding to the first group;

computing a supply schedule for each of said instruments corresponding to the second group;

comparing the schedules to produce a current preferred return for each of the corresponding instruments in both the first group and the second group;

computing a price for each said instrument having a current preferred return; and

generating output representing respective amounts of the instruments respectively in association with at least one member of a group consisting of the current preferred return and the price.

20.   A digital electrical machine to electrically process signals in generating preferred-return documentation, the machine including:

a first digital electrical computer apparatus including a digital computer having a processor, the processor electrically connected to a memory device for storing and retrieving machine-readable signals, to an input device for receiving input data and converting the input data into input electrical data, and to an output device for converting output electrical data into output having a visual presentation ; and wherein

the processor is a programmed to form circuitry therein to control the apparatus to receive the input data and to produce the output data by steps including:

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receiving respectively entered financial characteristics of preferred-return instruments representing investments;

receiving respectively entered amounts that buyers want to buy of a member from a first group, the first group consisting of at least one of the instruments and at least one group of the instruments, at the respective buyer's hypothetical current preferred return;

receiving respectively entered amounts that sellers want to sell of a member of a second group, the second group consisting of at least one of the instruments and at least one group of the instruments, at the respective seller's hypothetical current preferred return;

computing a demand schedule for each of said instruments corresponding to the first group;

computing a supply schedule for each of said instruments corresponding to the second group;

comparing the schedules to produce a current preferred return for each of the corresponding instruments in both the first group and the second group;

computing a price for each said instrument having a current preferred return; and

generating output representing respective amounts of the instruments respectively in association with at least one member of a group consisting of the current preferred return and the price.

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